

## Message Text

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ACTION TRSE-00

INFO OCT-01 EUR-12 ISO-00 AID-05 CEA-01 CIAE-00 COME-00

EB-07 FRB-03 INR-07 NSAE-00 CIEP-01 SP-02 STR-01

LAB-04 SIL-01 SAM-01 OMB-01 PA-01 PRS-01 USIA-06

XMB-02 /057 W

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R 141740Z MAR 75

FM AMEMBASSY ROME

TO SECSTATE WASHDC 59

INFO USMISSION EC BRUSSELS

C O N F I D E N T I A L ROME 3790

PASS TREASURY; PASS COMPTROLLER OF CURRENCY-L'ENFANT PLAZA;  
PASS FRB

E.O. 11652: GDS

TAGS: EFIN, IT

SUBJECT: ITALY'S INTERNATIONAL CREDIT RATING

REF: A. ROME 2912

B. STATE 49673

1. DURING TALK ON OTHER SUBJECTS MARCH 14, BOTH BANK  
OF ITALY VICE DIRECTOR GENERAL ASSOLA AND TREASURY  
DIRECTOR GENERAL PALUMBO EXPRESSED CONCERN ABOUT CONTINUED  
ADVERSE EFFECTS ON ITALY'S CREDIT RATING IN INTERNATIONAL  
CAPITAL MARKETS FROM PRESS REPORTS LAST SEPTEMBER  
OF ALLEGED LOW CREDIT RATING ASSIGNED BY COMPTROLLER OF  
CURRENCY TO US BANKS' LOANS TO ITALIAN BORROWERS.  
ASSOLA MENTIONED THAT BANK OFFICIALS ARE NOW EXAMINING  
POSSIBLE SOURCES OF FINANCING OF 1975 BALANCE OF PAY-  
MENTS DEFICIT AND MAY WANT TO SEEK PARTIAL RE-FINANCING OF  
OR NEW LOANS TO COVERSOME EUROMARKET MATURITIES WHICH FALL DUE  
LATER THIS YEAR.

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2. TREASATT AGAIN GAVE CLARIFICATION OF FACTS OF MATTER

AND REPEATED USG REGRET IF ITALY'S INTERNATIONAL CREDIT-WORTHINESS HAD SUFFERED AS RESULT OF DISTORTED REPORTS. HE MENTIONED WASHINGTON ASSURANCES ABOUT RECENT BEI CASE (REF B).

3. OSSOLA AND PALUMBO ASKED IF COMPTROLLER COULD NOW MAKE PUBLIC STATEMENT DESIGNED TO UNDO DAMAGE OF EARLIER REPORTS, GIVEN IMPROVEMENT IN ITALIAN BALANCE OF PAYMENTS. TREASATT REPLIED THAT HE DID NOT THINK THAT THIS WAS POSSIBLE. IF ANYTHING, COMPTROLLER MIGHT, IN COURSE OF REGULAR CONTACTS WITH US BANKING COMMUNITY, BEAR IN MIND SIGNIFICANT IMPROVEMENT IN ITALIAN BALANCE OF PAYMENTS AND PERHAPS CORRECT ANY OUTDATED OR ERRONEOUS EVALUATIONS WHICH INDIVIDUAL BANKS MIGHT STILL HAVE ABOUT ITALIAN POSITION. 4. AS MENTIONED IN REF A, EMBASSY IS AWARE OF LIMITATIONS WITHIN WHICH COMPTROLLER MUST WORK, BUT AGAIN WOULD LIKE TO STRESS NEED FOR CLOSE COOPERATION BETWEEN USG AGENCIES WHICH ARE INFORMED ABOUT ITALIAN FINANCIAL SITUATION AND BANK EXAMINERS IN COMPTROLLER'S OFFICE. VOLPE

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** GOVERNMENT BONDS, ALLEGATIONS, FOREIGN INVESTMENTS, LOANS, INSPECTIONS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 14 MAR 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** GolinoFR  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
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**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
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**Page Count:** 2  
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**Previous Handling Restrictions:** n/a  
**Reference:** 75 ROME 2912  
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**Review Authority:** GolinoFR  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 16 APR 2003  
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**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** ITALY'S INTERNATIONAL CREDIT RATING  
**TAGS:** EFIN, IT, US, XG  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006